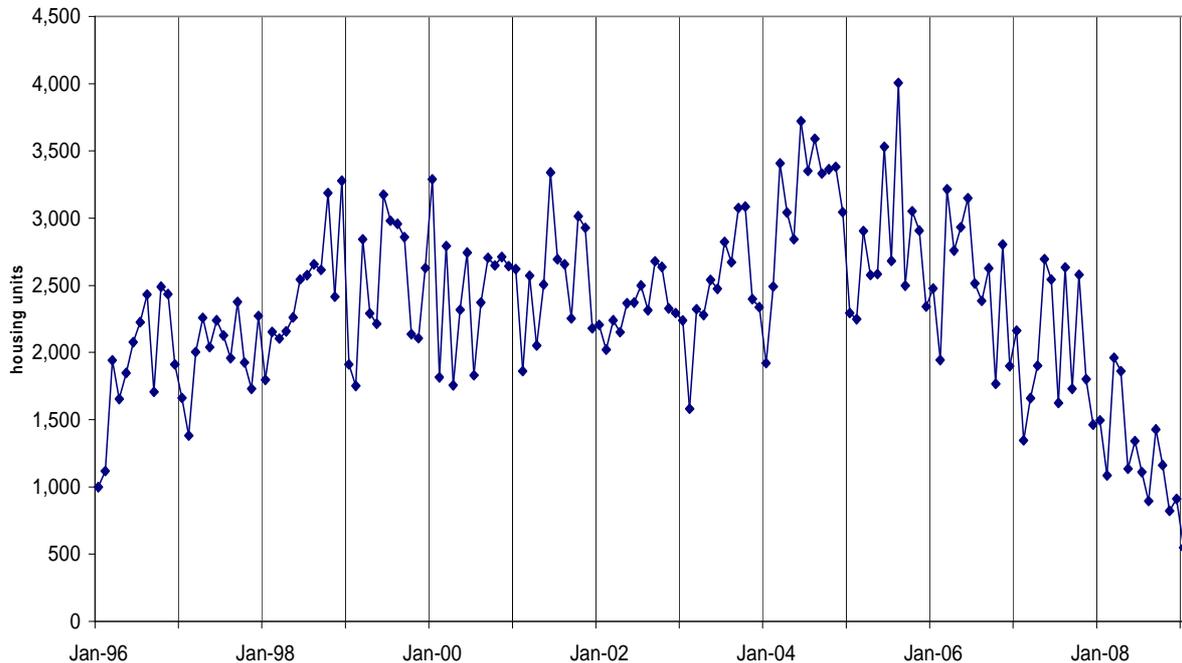


JANUARY 2009 HIGHLIGHTS

- New home construction was at an all-time low in January. Only 548 dwelling units were authorized by permits. Although construction cycles are tied to weather, the industry's decline had more to do with the economy, not temperature and precipitation. January housing numbers are the lowest levels in over 13 years. Previous lows were in 2008. The construction industry has slowed and new home construction accounts for the biggest part of this slump.
- The estimated cost of construction in January was \$636 million. Residential work totaled \$268.2 million (42.2 percent of all activity); nonresidential construction amounted to \$367.8 million (57.8 percent). The estimated cost of all work authorized for new houses was only \$107.5 million, or 16.9 percent of the dollar amount of all work authorized by building permits. A total of 556 of New Jersey's 566 municipalities reported for January.

Housing Units Authorized by Building Permits



- Office and retail construction also declined sharply. Only 231,186 square feet of new office space was authorized by permits. This was a decline of 25.7 percent

compared to last month. New retail space totaled only 60,227 square feet. This was a decline of 64.2 percent compared to December 2008.

- The City of Newark in Essex County led all municipalities with \$25 million of construction. Two of the bigger permits were a tenant fit-out of an office building for the investment firm of Morgan Stanley (\$9.7 million) and an alteration to a multifamily housing building with an estimated cost of \$6 million.
- Jersey City in Hudson County reported \$22.3 million of activity, ranking second among municipalities. A new 32-unit, age-restricted apartment building for the Jersey City Housing Authority accounted for nearly \$7 million. The construction office also issued a building permit for a multifamily building with 27 for-sale units. Jersey City had 67 authorized dwellings in January, more than any other locality.
- Logan Township in Gloucester County had \$21.9 million of construction. Nearly \$19 million was reported in a permit update, authorizing additional work on a 600,000-square-foot warehouse that broke ground last month.
- Princeton Township in Mercer County had \$21.4 million of construction. Most of this was for a pedestrian bridge and tunnel.

